

## General Assembly

## Raised Bill No. 5246

February Session, 2004

LCO No. **1207** 

\*01207\_\_\_\_\_BA\_\_\*

Referred to Committee on Banks

Introduced by: (BA)

## AN ACT CONCERNING THE NOTIFICATION OF LIENHOLDERS OF MOTOR VEHICLES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 14-150 of the general statutes, as amended by
- 2 section 4 of public act 03-264, is repealed and the following is
- 3 substituted in lieu thereof (*Effective from passage*):
- 4 (a) Any person who abandons any motor vehicle within the limits of
- 5 any highway or upon property other than such person's own without
- 6 the consent of the owner thereof for a period longer than twenty-four
- 7 hours shall have committed an infraction and shall be fined not less
- 8 than eighty-five dollars. The last owner of record of a motor vehicle
- 9 found abandoned, as shown by the files of the Department of Motor
- 10 Vehicles, shall be deemed prima facie to have been the owner of such
- 11 motor vehicle at the time it was abandoned and the person who
- 12 abandoned the same or caused or procured its abandonment.
- 13 (b) Any inspector of the Department of Motor Vehicles, any officer 14 attached to an organized police department, any enforcement officer of
- a parking authority authorized under an ordinance adopted pursuant

to section 7-204a to enforce parking regulations in the municipality in which it is located or any state police officer upon discovery of any motor vehicle, whether situated within or without any highway of this state, which is a menace to traffic or public health or safety, shall take such motor vehicle into such inspector's or officer's custody and cause the same to be taken to and stored in a suitable place.

(c) Any inspector of the Department of Motor Vehicles, any officer attached to an organized police department, any enforcement officer of a parking authority authorized under an ordinance adopted pursuant to section 7-204a to enforce parking regulations in the municipality in which it is located or any state police officer, upon discovery of any motor vehicle apparently abandoned or a motor vehicle without proper registration, whether situated within or without any highway of this state, shall affix to such motor vehicle a notification sticker in a manner so as to be readily visible. This notification sticker shall contain the following information: (1) The date and time the notification sticker was affixed to the motor vehicle; (2) a statement that pursuant to this section, if the motor vehicle is not removed within twenty-four hours of the time the sticker was affixed, it shall be taken into custody and stored at the owner's expense; (3) the location and telephone number where additional information may be obtained; and (4) the identity of the affixing officer. If the motor vehicle is not removed within such twenty-four-hour period, the affixing department or parking authority shall take such motor vehicle into its custody and cause the same to be stored in a suitable place, except that such department or parking authority shall make a reasonable attempt to notify the owner of any such motor vehicle which is determined to be stolen prior to taking such vehicle into its custody and shall allow such owner to make arrangements for removal of such vehicle.

(d) If the motor vehicle has no registration marker plates or invalid registration marker plates, and if such inspector or officer makes a determination in good faith that (1) the motor vehicle is apparently abandoned, (2) the market value of such motor vehicle in its current

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condition is five hundred dollars or less, and (3) the motor vehicle is so vandalized, damaged, or in disrepair as to be unusable as a motor vehicle, title to such motor vehicle shall, upon taking custody of such motor vehicle, immediately vest in the municipality in which the motor vehicle was discovered. Within forty-eight hours of the time that such motor vehicle is taken into custody, the affixing department or parking authority shall notify the Commissioner of Motor Vehicles, in writing, of the vehicle identification number and a description of the motor vehicle. Upon sale or other disposition of the motor vehicle, the affixing department or parking authority shall give written notice by certified mail to the person who was the owner of such motor vehicle at the time of abandonment, if known, which notice shall state that the motor vehicle has been sold or otherwise disposed of. The proceeds of the sale or disposition, or the fair market value of the motor vehicle in its current condition, whichever is greater, less the towing and sale or disposal expenses and the amount of any fines due, shall be paid to such person or such person's representatives, if claimed by such person or them within one year from the date of sale. If such balance is not claimed within such period, it shall escheat to the municipality. If the expenses incurred by the municipality for towing and the sale or disposition of such motor vehicle and any such fines exceed the proceeds of such sale or disposition, such person shall be liable to such municipality for such excess amount.

(e) Within forty-eight hours of the time that a motor vehicle is taken into custody and stored pursuant to subsection (b) or (c) of this section, the affixing department or parking authority shall give written notice by certified mail to the owner <u>and any lienholders</u> of such motor vehicle, if [known] the same appears on the records of the Department of Motor Vehicles, which notice shall state (1) that the motor vehicle has been taken into custody and stored, (2) the location of storage of the motor vehicle, (3) that, unless title has already vested in the municipality pursuant to subsection (d), such motor vehicle may be sold after [fifteen] thirty days if the market value of such motor vehicle does not exceed one thousand five hundred dollars or after forty-five

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83 days if the value of such motor vehicle exceeds one thousand five 84 hundred dollars, and (4) that the owner has a right to contest the 85 validity of such taking by application, on a form prescribed by the 86 Commissioner of Motor Vehicles, to the hearing officer named in such 87 notice within ten days from the date of such notice. Such application 88 forms shall be made readily available to the public at all offices of the 89 Department of Motor Vehicles, parking authorities authorized under 90 an ordinance adopted pursuant to section 7-204a to enforce parking 91 regulations and state and local police departments.

(f) (1) The chief executive officer of each town shall appoint a suitable person, who shall not be a member of any state or local police department, to be a hearing officer to hear applications to determine whether or not the towing within such municipality of such motor vehicle was authorized under the provisions of this section. Two or more towns may join in appointing such hearing officer; provided any such hearing shall be held at a location which is as near to the town within which such motor vehicle was towed as is reasonable and practicable. The commissioner shall establish by regulation the qualifications necessary for hearing officers and procedures for the holding of such hearings. If it is determined at such hearing that the vehicle was not a menace to traffic, abandoned or unregistered, as the case may be, the owner of such motor vehicle shall not be liable for any expenses incurred as a result of the taking and storage of such motor vehicle, the lien provisions of this section shall not apply to such owner, and the department which took and stored such motor vehicle shall be liable for such expenses. If the owner, prior to such determination, pays such expenses and the storage charges of such motor vehicle, and it is determined at such hearing that the motor vehicle was not a menace to traffic, abandoned or unregistered, as the case may be, the department or parking authority which took such motor vehicle shall be liable to such owner for the amount paid by such owner. Any person aggrieved by the decision of such hearing officer may, within fifteen days of the notice of such decision, appeal to the superior court for the judicial district wherein such hearing was

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- (2) The chief executive officer of each municipality shall designate a suitable person who shall be responsible for the collection of data concerning abandoned motor vehicles within such municipality and the preparation and submission of periodic reports to the Commissioner of Motor Vehicles which shall contain such information as the commissioner may require.
- 124 (g) The owner or keeper of any garage or other place where such 125 motor vehicle is stored shall have a lien upon the same for such 126 owner's or keeper's storage charges. Unless title has already vested in 127 the municipality pursuant to subsection (d) of this section, within 128 forty-eight hours of the time that a motor vehicle is stored by such garage or other place pursuant to subsection (b) or (c) of this section, 129 130 the owner or keeper of such garage or other place where such motor 131 vehicle is stored shall notify the Commissioner of Motor Vehicles, in 132 writing, of the vehicle identification number and a description of the 133 motor vehicle. Such notice shall be placed on file by the Commissioner of Motor Vehicles and be open to public inspection. If the motor 134 135 vehicle is subject to a security interest, the commissioner shall, within 136 ten days of receiving such notice, send such owner or keeper the name 137 and address of any lienholder as recorded on the certificate of title. [if] 138 If the current market value of such motor vehicle as determined in 139 good faith by such owner or keeper does not exceed one thousand five 140 hundred dollars and such motor vehicle has been stored for a period of 141 not less than fifteen days, such owner or keeper may, unless an 142 application filed by the owner pursuant to subsection [(d)] (e) of this 143 section is pending and the owner of such motor vehicle has notified 144 such owner or keeper that such application for hearing has been filed, 145 sell the same for storage and towing charges owed thereon, provided a 146 notice of intent to sell shall be sent to the commissioner, [and] the 147 owner and any lienholder of record of such motor vehicle, if known, 148 five days before the sale of such vehicle. If the current market value of 149 such motor vehicle as determined in good faith by such owner or

keeper exceeds one thousand five hundred dollars and if such motor vehicle has been so stored for a period of forty-five days, such owner or keeper shall, unless an application filed by the owner pursuant to subsection [(d)] (e) of this section is pending and the owner of such motor vehicle has notified such owner or keeper that such application for hearing has been filed, sell the same at public auction for cash, at such owner's or keeper's place of business, and apply the avails of such sale toward the payment of such owner's or keeper's charges and the payment of any debt or obligation incurred by the officer who placed the same in storage, provided if the last place of abode of the owner of such motor vehicle is known to or may be ascertained by such garage owner or keeper by the exercise of reasonable diligence, notice of the time and place of sale shall be given to such owner and any lienholder of record by mailing such notice to such owner in a registered or certified letter, postage paid, at such last usual place of abode, at least five days before the time of sale. At any public auction held pursuant to this subsection, such garage owner or keeper may set a minimum bid equal to the amount of such owner's or keeper's charges and obligations with respect to the tow and storage of the motor vehicle. If no such bid is made, such owner or keeper may sell or dispose of such vehicle.

(h) The garage owner or keeper shall report the sales price, storing, towing and repair charges, if any; buyer's name and address; identification of the vehicle and such other information as may be required in regulations which shall be adopted by the commissioner in accordance with the provisions of chapter 54, to the commissioner within fifteen days after the sale of the motor vehicle. The proceeds of such sale, after deducting the amount due such garage owner or keeper and all expenses connected with such sale, including the expenses of the officer who placed such motor vehicle in storage, shall be paid to the owner of such motor vehicle or such owner's legal representatives, if claimed by such owner or them at any time within one year from the date of such sale. If such balance is not claimed within said period, it shall escheat to the state.

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- (i) If the owner of such motor vehicle placed in storage in accordance with the provisions of this section does not claim such motor vehicle within thirty days, the owner of such garage or other place of storage shall, within forty days of the date such motor vehicle was placed in storage with such owner, send a written notice to the commissioner, stating the make, engine number and chassis number of such motor vehicle, the date such motor vehicle was left with such owner for storage and by whom and the registration number thereof if any number plates are on such motor vehicle, which notice shall be placed on file by the commissioner and shall be subject to public inspection. The fee for filing such notice shall be five dollars. Any sale under the provisions of this section shall be void, unless the notice required by this section has been given to the commissioner.
- (j) The Commissioner of Motor Vehicles shall adopt regulations, in accordance with the provisions of chapter 54, (1) specifying the circumstances under which title to any motor vehicle abandoned within the limits of any highway may be transferred to any person, firm or corporation towing such vehicle, and (2) establishing the procedure whereby such person, firm or corporation may obtain title to such motor vehicle.

This act shall take effect as follows:	
Section 1	from passage

## Statement of Purpose:

To require that affixing departments obtain lienholder information at the same time owner information is obtained, if the same appears on the records of the Department of Motor Vehicles. Affixing departments shall then make timely notification to any lienholders of a motor vehicle, subsequent to taking the abandoned or unregistered motor vehicle into custody, informing the lienholders that the motor vehicle has been towed and stored, where the vehicle is being stored, and that the motor vehicle may be sold; to extend the length of time after which an affixing department may sell a motor vehicle valued at less than one thousand five hundred dollars from fifteen days to thirty days; to

require that the Commissioner of Motor Vehicles provide lienholder information to an owner or keeper of a garage in a timely manner after receiving notice that a motor vehicle is subject to a mechanics' lien for the owner's or keeper's storage charges. Garage owners and keepers shall then make timely notification to any lienholders of motor vehicles prior to any proposed sale to satisfy a mechanics' lien for storage charges.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]